

**CALL TO ORDER:**

Mayor Shawn Logan called the meeting to order at 7:00 p.m. and led an invocation and the Pledge of Allegiance.

Present: Mayor Shawn Logan; Councilmembers: Eugene Bain, Genna Dorow, Corey Everett, Kenneth Johnson, John Lallas, and Mark Snyder.

Also Present: Department Heads: Public Works Director Terry Clements, Police Chief Phil Schenck, Community Development Director Travis Goddard, City Clerk Debbie Kudrna, Finance Officer Spencer Williams and City Attorney Kelly Konkright.

Absent Was: Councilmember Angel Garza.

Council carried a motion to excuse Councilmember Garza. M/S Bain/Snyder.

**CITIZEN INPUT**

Mayor Logan introduced Washington State Representatives Joe Schmick and Mary Dye. They both made statements. Council held a discussion with both representatives about current issues.

**APPROVAL OF AGENDA**

Council carried a motion to approve the agenda. M/S Dorow/Lallas.

**CONSENT AGENDA:**

- A. Approval of City Council Minutes of August 24, 2015
- B. Approval of Accounts Payable Checks
- C. Approval of Payroll and Related Expenses
- D. Acceptance of Well #9 Transmission Line Project
- E. Acceptance of the 6" Force Main Project
- F. Resolution to Release Retainage for Concrete Drive – POW Contracting, Inc.
- G. Resolution to Surplus Equipment

Accounts Payable was audited and certified by the Auditing Officer, as required by RCW 42.24.080; and those expense reimbursement claims certified and as required by RCW 42.24.090, have been recorded on a listing that has been reviewed by the Council audit committee and is available to the Council.

Accounts Payable Check No. 45703 to No. 45760 in the amount of \$285,523.93.

Accounts Payable Check No. 45761 to No. 45761 in the amount of \$5,386.22.

Payroll and Related Expenses Check No. 29502 to No. 29568 in the amount of \$343,936.86.

Council carried a motion to approve the Consent Agenda, as presented. M/S Bain/Dorow.

**REQUEST TO REVIEW OTHELLO MUNICIPAL CODE 4.36.090 TITLED "SECURITY" FOR PUBLIC DANCES**

Police Chief explained that Mr. Mark Gourneau is concerned that our current ordinance requires State licensed security guards for public dances. Chief Schenck stated that he likes and supports the current language in our ordinance for licensed security guards. The code requires that all security guards at public dances are State licensed.

**REVIEW OF UTILITY TAX FUND ORDINANCES**

Finance Officer Spencer Williams advised that he met with the Finance Committee to discuss the future allocations of the utility tax fund. The utility tax receives tax revenues on telephone, cable and natural gas. Currently, we have 50% goes into the general fund and 50% is kept in the utility tax fund for large purchases of \$25,000 or more. He presented three scenarios regarding the utility tax fund ordinances:

1. Keep the fund as is. Pass an ordinance revising the 50% transfer to the general fund as needed, during our budget process.
2. Dissolve the fund and receive the revenues directly into the general fund.

3. Keep the fund but modify the OMC to remove the 50% language and tie the fund usage to the approved budget.

The Finance Committee agreed that the last option would allow tracking of these dollars, while meeting the current needs of the city, without frequent ordinance amendments. Mr. Williams presented two ordinances with the suggested language, as suggested by the Finance Committee.

Councilmember Johnson stated that the utility tax fund has been used for major capital expenditures and is concerned of all of it being distributed into the general fund. Councilmember Everett stated that he likes the 50% threshold. It was suggested to make a change to the ordinances by adding the following language: "not to exceed 60%". This will be brought back to the Council for consideration.

#### **ORDINANCE AMENDING OMC TITLE 16 "SUBDIVISIONS"**

Community Development Director Travis Goddard reported that the City Council assigned review of some of our code language to the Planning Commission (PC). The PC held a public hearing to consider language to create a streamlined process for review of boundary line adjustments and lot consolidations. It also changes the definitions for plats: removing size limitations so that short plats and major plats are defined by the number of lots they contain, regardless of size. Mr. Goddard advised that the PC recommends approving the proposed code changes. If approved, Mr. Goddard advised that major subdivisions would require the Hearing Examiners' review. He gave some scenarios of the changes and advised that the decisions will still maintain an appeal process.

Council carried a motion to approve the proposed changes to OMC Title 16. M/S Dorow/Lallas. This shall be known as Ordinance No. 1441.

#### **UNFINISHED BUSINESS**

Mayor Logan advised that Councilmember Dorow met with staff and city engineers to discuss the future farmer's market. They discovered the cost for the farmer's market has escalated. Mayor Logan proposed that since we already spent engineering costs for that project and for the skate park project, he asked the Council to focus on completion of the skate board park. Finance Officer Spencer Williams reviewed the park and recreation reserve fund; \$200,000 was earmarked for the skate park and \$350,000 for the farmer's market project. He noted that both projects are now projected to cost more than anticipated. Public Works Director Clements advised that the skate park bids came in higher than anticipated and we'll have to call for new bids for construction early next year.

Penny Morris, President of the Chamber of Commerce, reported that they have held a successful farmers market this year and it is still growing. She asked that the bathrooms in Pioneer Park be fixed. Amy Hurlbut, Manager of the Chamber stated that they hosted "Art in the Park" this Saturday. She said that the park is perfect for the farmer's market and the locality of the park is great.

Council's consensus was to move forward with the skate park and table the construction of the farmer's market and consider appropriating funds for the farmer's market later.

Public Works Director Clements advised that the new restroom for Lions Park should be constructed late October.

#### **NEW BUSINESS**

Engineer Kurt Holland advised that bids were opened for the 1<sup>st</sup> Avenue project. It was discovered that in order to receive the approved Washington State Transportation Board (TIB) funds, 1<sup>st</sup> Avenue construction had to be spent this year. Bids all came in high, due to the lateness of the

bidding and he noted that Varela did not prepare the engineer's estimate. The bids received are as follows:

Engineer's estimate	\$350,300.00
Award Construction	\$473,808.00
Central Washington Asphalt	\$486,411.56
Advanced Excavation	\$498,699.00

They have been discussing with TIB to either reduce the scope of work or get additional funding. TIB denied both of those requests; however, they gave an extension on the funding. Varela Engineers reviewed the apparent low bid, Award Construction, Inc. from Ferndale Washington. The project is grind and overlay of several blocks and curb and sidewalk on the north 1<sup>st</sup> Avenue. Finance Officer Williams advised the bids were approximately \$120,000 more than anticipated. Ten percent was to be paid by utility tax dollars and the remainder paid by the TIB grant. He noted that since we're not completing the 14<sup>th</sup> Avenue project this year, those funds would be available. Mr. Williams advised that the utility fund revenue is under what they estimated for this year. He also advised that we have already paid for the engineering on the 1<sup>st</sup> Avenue project. He noted there is approximately \$50,000 in REET funding and may have street and street reserve funds available. It was suggested to use the utility tax and the street reserve funds to pay for the project.

Council carried a motion to award the 1<sup>st</sup> Avenue Improvement project to Award Construction, Inc. M/S Dorow/Lallas.

Finance Officer advised that we have through 2017 to use the TIB funding for the 14<sup>th</sup> Avenue project.

Mayor announcement:

- This week is the Adams County fair and rodeo.
- The City did not receive the \$1 M grant from Dept. of Commerce for the sewer project up to the Port District project.

#### Executive Session

Mayor Logan announced that Council will now adjourn at 8:21 to go into an executive session pursuant to RCW 42.30.110(g) to review the performance of a public employee. The executive session is expected to last 20 minutes. City Attorney Kelly Konkright, Police Chief Schenck, Community Development Director Travis Goddard, Finance Officer Spencer Williams, Public Works Director Terry Clements and City Clerk Debbie Kudrna attended the executive session.

Mayor Logan reconvened the meeting at 8:43 p.m. No action was taken by Council.

#### ADJOURNMENT

With no further items to discuss, Mayor Logan adjourned the Council meeting at 8:43 p.m.

By: \_\_\_\_\_  
SHAWN LOGAN, Mayor

ATTEST:

By: \_\_\_\_\_  
DEBBIE KUDRNA, City Clerk